



STATE OF TENNESSEE
COMPTROLLER OF THE TREASURY
DEPARTMENT OF AUDIT
DIVISION OF COUNTY AUDIT
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June 25, 2007

White County Mayor and
Board of County Commissioners
White County, Tennessee

To the County Mayor and County Commissioners:

In conjunction with the annual audit of White County, we have performed a limited review of the information systems in the Offices of Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, Sheriff, and Finance Director as of June 19, 2007. This letter transmits the results of our review.

Our audit of White County is required to be conducted in accordance with standards contained in Government Auditing Standards, issued by the Comptroller General of the United States. These standards specify that we perform general and application control reviews of computer-based accounting and information systems to determine whether an entity's existing procedures and controls provide adequate assurance of data accuracy and financial and operating statement reliability.

Because of inherent limitations in any internal control structure, errors, irregularities, or control weaknesses may exist and may not be detected. However, our information system reviews performed in the Offices of Trustee, County Clerk, Circuit and General Sessions Courts Clerk, Clerk and Master, Register, and Sheriff did not reveal any matters that we considered to be a significant deficiency. A significant deficiency, however, was identified in the Office of Finance Director and may be included in the annual financial report of White County. This matter is also presented in detail in the enclosed Review of Internal Controls Regarding Information System Operations – Findings and Recommendations.

A brief summary of the significant deficiency is presented below:

FINANCE DIRECTOR

1. The office had deficiencies in computer system back-up procedures.

White County Mayor and
Board of County Commissioners
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Please contact Penny Austin, Information Systems Audit Manager, or me if you have any questions regarding our review of the information systems in the aforementioned offices of White County, Tennessee.

Sincerely,



Richard V. Norment
Assistant to the Comptroller

RVN: pa

Attachment

cc: The Honorable Brenda Officer, Trustee
The Honorable Connie Jolley, County Clerk
The Honorable Beverly Templeton, Circuit and General Sessions Courts Clerk
The Honorable Lynda McCoy, Clerk and Master
The Honorable Gary Brogden, Register
The Honorable Oddie Shoupe, Sheriff
Mr. Mark Farley, Finance Director
Mr. Carl Lowe, Mid-East Tennessee Audit Manager

WHITE COUNTY, TENNESSEE
REVIEW OF INTERNAL CONTROLS REGARDING INFORMATION
SYSTEM OPERATIONS — FINDINGS AND RECOMMENDATIONS
AS OF JUNE 19, 2007

The review of controls over the information systems in the Office of Finance Director indicated a need for improvement. The following finding and recommendation have been made to aid this office in the implementation of controls to better secure its computer system and the information contained therein. We reviewed this matter with management to provide an opportunity for their response. Management offered oral responses to this item but did not submit a written response. We did not include the oral responses in this report.

OFFICE OF FINANCE DIRECTOR

THE OFFICE HAD DEFICIENCIES IN COMPUTER
SYSTEM BACK-UP PROCEDURES

1. FINDING

The following weaknesses regarding computer system back-up procedures in the office were identified:

- A. System backups at the Landfill Department were not performed on a routine basis. Inadequate back-up procedures could result in the loss of data in the event of a hardware or software failure. Without current system backups, the cost of re-creating data could be substantial.
- B. Daily backups of the information maintained by the Finance Director were not stored in a secure location. Unsecured access to system backups exposes the data to environmental hazards, as well as to possible sabotage.
- C. Weekly and fiscal year-end backups at the Landfill Department were not performed. These backups would ensure the restoration of system data if problems occurred.

RECOMMENDATION

Management should implement daily system back-up procedures. A backup labeled for each day of the week should be maintained. Management should store these backups in a secure, fireproof location. In addition to daily system backups, a weekly system backup should be performed, and two copies of this backup should be maintained. These backups should be rotated off site on a weekly basis. A complete systems backup should also be performed at fiscal year-end. These year-end backups should be stored off site and retained indefinitely. Some possibilities for an off-site storage location would be another county office building with a fireproof vault or a safe-deposit box at a local bank.

PRIOR AUDIT RECOMMENDATIONS IMPLEMENTED

(Ref: Review of Internal Controls Regarding
Information System Operations as of April 7, 2005)

OFFICE OF COUNTY CLERK

Finding Number	Page Number	Subject
1	1	The office did not implement adequate controls to protect its information resources

OFFICE OF SHERIFF

Finding Number	Page Number	Subject
1	1	Management should formally document policies and procedures for computer operations
2	2	System back-up procedures should be improved
3	2	The office should develop a disaster recovery plan